



February 20, 2004

ENGROSSED SENATE BILL No. 467

DIGEST OF SB 467 (Updated February 18, 2004 4:51 pm - DI 103)

Citations Affected: IC 5-22.

Synopsis: Electronic procurement. Permits the purchasing agency of a municipality, county, or school corporation to purchase supplies through the Internet or by means of a reverse auction. Requires the purchasing agency to adopt written policies governing Internet purchasing and reverse auctions.

Effective: Upon passage.

Ford

(HOUSE SPONSORS — AYRES, HASLER, THOMAS, WELCH)

January 13, 2004, read first time and referred to Committee on Economic Development and Technology.

January 22, 2004, reported favorably — Do Pass.

February 3, 2004, read second time, ordered engrossed. Engrossed.

February 4, 2004, read third time, passed. Yeas 49, nays 0.

HOUSE ACTION

February 6, 2004, read first time and referred to Committee on Technology, Research and Development.

February 19, 2004, amended, reported — Do Pass.

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ES 467—LS 7273/DI 108+



February 20, 2004

Second Regular Session 113th General Assembly (2004)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2003 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 467

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 5-22-2-13.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: **Sec. 13.5. "Internet" means the international**
4 **computer network of both federal and nonfederal interoperable**
5 **packet switched data networks, including the graphical**
6 **subnetwork called the world wide web.**
- 7 SECTION 2. IC 5-22-2-13.7 IS ADDED TO THE INDIANA CODE
8 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
9 UPON PASSAGE]: **Sec. 13.7. "Internet purchasing site" means an**
10 **open and interactive electronic environment that is designed to**
11 **facilitate the purchase of supplies by means of the Internet.**
- 12 SECTION 3. IC 5-22-2-28.5 IS ADDED TO THE INDIANA CODE
13 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
14 UPON PASSAGE]: **Sec. 28.5. "Reverse auction" means a method**
15 **of purchasing in which offerors submit offers in an open and**
16 **interactive environment through the Internet.**
- 17 SECTION 4. IC 5-22-7-5, AS AMENDED BY P.L.31-2002,

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SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The purchasing agency shall give notice of the invitation for bids in the manner required by IC 5-3-1.

(b) The purchasing agency for a state agency shall also provide electronic access to the notice through the electronic gateway administered by the intelenet commission.

(c) The purchasing agency for a political subdivision may also provide electronic access to the notice through:

(1) the electronic gateway administered by the intelenet commission as determined by the commission; or

(2) **any other electronic means available to the political subdivision.**

SECTION 5. IC 5-22-10-21 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21. (a) This section applies to:

(1) municipalities;

(2) counties; and

(3) school corporations.

(b) A purchasing agency may purchase supplies:

(1) through the Internet; or

(2) by means of a reverse auction;

in accordance with written policies for the operation of the purchasing agency's Internet purchasing site.

(c) The purchasing agency must adopt written policies for the operation of the purchasing agency's Internet purchasing site, including policies for:

(1) transmitting:

(A) notices;

(B) solicitations; and

(C) specifications;

(2) receiving offers;

(3) making payments;

(4) protecting:

(A) the identity of an offeror; and

(B) the amount of an offer until the time fixed for the opening of offers;

(5) for a reverse auction, providing for the display of the amount of each offer previously submitted for public viewing;

(6) establishing the deadline by which offers must be received and will be considered to be open and available for public inspection; and

(7) establishing the procedure for the opening of offers.

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1 **(d) IC 5-22-16-6(a)(2) does not apply to a reverse auction.**
2 **SECTION 6. An emergency is declared for this act.**

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COMMITTEE REPORT

Madam President: The Senate Committee on Economic Development and Technology, to which was referred Senate Bill No. 467, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 467 as introduced.)

FORD, Chairperson

Committee Vote: Yeas 8, Nays 0.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Technology, Research and Development, to which was referred Senate Bill 467, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to SB 467 as printed January 23, 2004.)

HASLER, Chair

Committee Vote: yeas 14, nays 0.

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